

2009 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1046

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1046

House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 01/16/08

Recorder Job Number: 7134

Committee Clerk Signature

Lou Engelson

Minutes:

Chairman Grande: We'll open the hearing on HB 1046. The clerk will read the title.

The title was read by the clerk.

Roxanne Woeste: My name is Roxanne Woeste. I am with the legislative council. The public safety committee is recommending the introduction of this bill. The public safety committee asked the adjutant general to put together a task force to look at public safety issues. The task force came up with 15 recommendations. They presented them to the committee. The committee then drafted several bills. I think about 11 bills to move forward for recommendation. This bill is one of those recommendations. Section 2 creates a new section to create an emergency response and recovery commission consisting of the governor, the director of the department of human services, the director of the department of emergency services, the state health officer and a representative of a political subdivision appointed by the governor. The governor would serve as the chairman of the commission. This commission would review and approve rules developed by the department of emergency services with respect to the emergency response and recovery fund, approve disbursements of funds from this new fund and monitor the balance of the fund. Section 3, the emergency response and recovery fund would be administered by the department of emergency services and investing

shall be by the state investment board. On a quarterly basis, the earnings or interest of the fund would be placed in a special operating account that may be used by this new emergency response and recovery commission to assist individuals, political subdivisions, and Indian tribes in paying the costs of responding to and recovering from a disaster or emergency declared by the governor but does not qualify for a presidential disaster declaration. Section 4 creates a new section to 37-17.1 relating to the emergency response and recovery fund to provide emergency services subject to approval by the commission, shall adopt rules that would include eligibility guidelines and procedures for disbursement of funds. Section 5 provides an appropriation of \$11,000,000 to the department of emergency services for creation of the fund. Of that \$11,000,000, \$10,000,000 would be deposited in the fund and \$1,000,000 would be available in the special operating account. The commission would have \$1,000,000 to use right away.

Chairman Grande: The money they are asking for. Is it in the governor's budget?

Roxanne Woeste: No, it is not.

Chairman Grande: And so, expenditures of \$11,000,000, appropriation of \$11,000,000 is not included anywhere.

Roxanne Woeste: No.

Rep. Dahl: Can you explain how there are expenditures of \$11,000,000 put in an appropriation of \$1,000,000. Can you also address why it would go to \$500,000 for the next biennium?

Roxanne Woeste: I do believe why they are showing expenditures of \$11,000,000. Of that \$10,000,000 will go into the fund and \$1,000,000 will go into the special operating account. I believe they are not showing the full \$11,000,000 under there. That \$10,000,000 will sit in that

newly created fund. So they see that kind of as a transfer. So they would just have that \$1,000,000 sitting there.

Chairman Grande: Where does this \$10,000,000 come from?

Roxanne Woeste: The appropriation is \$11,000,000. \$10,000,000 would be held with the state investment board in the newly created fund. \$1,000,000 would go to the department. In the fiscal note, the department explains that they anticipate that the \$10,000,000 will generate interest of approximately half a million dollars, and they would have that available to be spent.

Chairman Grande: So \$10,000,000 is going, where are they going to spend it?

Roxanne Woeste: The \$10,000,000 would be deposited with state investment board. They would be responsible for investing that. The interest off that would be transferred to the department of emergency services to the special operating account. They could use that for grants for political subdivisions, cities, Indian tribes to use for costs associated with disasters. This would be for governor declared disasters that do not meet the threshold of a presidential disaster. If a disaster does not meet the presidential disaster level, I believe there would be no reimbursement from FEMA. An example that was provided to the interim committee would be the Coleharbor wind storm. I believe the governor declared it a disaster, but that did not meet presidential disaster levels so they did not receive any federal help for response to that disaster.

Rep. Froseth: Who proposes the public safety committee and are there funds set aside in an account that might grow some interest? Presently I think the state does take care of any disasters that need to be addressed so why is it necessary to establish another separate fund to handle emergencies?

Roxanne Woeste: The public safety committee was an interim committee. So it was one of the working groups made up of members of the legislative assembly this past interim. The

concept was brought to them from the adjutant general and a task force was put together with different representatives of the public safety committee. They saw this as something that was missing in the state, a gap in services. There is a gap if a disaster does not meet presidential declaration, there will be no relief from FEMA. The political subdivisions will be on their own to respond and then incur those costs. So they saw this mechanism as being a way to provide some help to those entities if they experience a disaster.

Rep. Froseth: Isn't it possible now in the event of an emergency like Coleharbor, should the department of transportation assistance be needed?

Roxanne Woeste: That's really a question that's out of my realm. Perhaps someone from the department of emergency services can answer that.

Rep. Nathe: Is the \$1,000,000 going into an existing fund or is there going to be a special fund set for that million plus the interest that goes in there too?

Roxanne Woeste: That's correct. On page 3 of the bill subsection 2 there beginning on line 3 the interest and earnings on the new fund would have the \$10,000,000 in it must be placed in a special operating account. I believe that is not in existence. It's not in a new fund. It's in a special operating account. So if the department of emergency services has a special fund, an operating fund that already exists, they could deposit that \$1,000,000 in there. Unfortunately, I don't know specifically in regards to that. The bill creates a new fund requiring the department of emergency services to have a special operating account.

Chairman Grande: I thought I saw it went to the Treasurer's office first.

Roxanne Woeste: The fund itself, the emergency response and recovery fund that is created in section 3 is to be under the investment of the state investment board. That's section 1 of the bill.

Chairman Grande: The emergency response and recovery fund is a special fund in the state treasury administered by the department of emergency services. Once they get to \$2,000,000 then the interest turns back into the state general fund.

Roxanne Woeste: That's correct.

Chairman Grande: That's the operating one. Not in the special investments fund. Other questions? Anybody who wishes to speak in favor of 1046?

Gary Retterath: I'm Gary Retterath, Valley City fire chief. There are a lot of instances throughout the whole state that have an impact on rural departments. We don't have a lot of money. We fund even sometimes they go as low as their gas for their fire trucks. I believe that this bill also helps with some of those disasters throughout the state. It may not seem like that would be a lot of money but I believe it does ask for a lot of money throughout the state for rural departments that are emergency responders. I also believe that may help rural ambulances. The monies that the rural departments have, they usually want to spend that towards equipment. They don't want to raise taxes for the rural areas and they don't want to draw away from the farmers. They don't want to take any monies that would go for general operations. Some of these disasters where all departments get together for rural aid calls. Where a fire lasts a whole day or two days or get call backs that last another day, there's a lot of those calls that happen during the year. The way I understand it is it's to help with those situations also. Any money they have, they want to put it towards equipment. There is a big need for that and I believe this is going to help that situation. They can barely find money to put gas in their trucks sometimes.

Chairman Grande: Any questions from the committee?

Rep.Nathe: When it is a presidential declared disaster, are you then reimbursed for those expenses you just talked about?

Gary Retterath: There are certain things, you can't really get reimbursed for manpower. You can get for items, a panel or an ax that was destroyed, or foam or chemical. Yes, you should be able to get reimbursed for that. So when you go help other departments, they don't have the money to reimburse you for those loose items.

Rep. Nathe: So this bill would help pay for those expenses?

Gary Retterath: That's the way I understand it. Yes.

Chairman Grande: The section he's referring to is section 4.4. Anybody else who wishes to speak in favor?

Joseph Albers Sr., Spirit Lake Emergency Fund offered testimony in support of HB 1046. See attachment #1. On the federal declarations, even at the tribal level, there is certain criteria you have to meet in dollar amounts where you get reimbursed. Even at the tribal level, there's a lot of times when the tribe has to absorb the costs of events that occur. This bill would help not only the tribe, we have enrolled members that reside on the reservation and we have non-enrolled members that reside on the reservation. When we have a disaster or an emergency on the reservation, if it occurred within our boundaries, we respond wholeheartedly. So this bill would help. Right now we're in the process of doing snow removal. I don't know if we meet the declaration on this but a bill of this kind would really help.

Chairman Grande: Any questions of Mr. Albers? Anyone else who wishes to speak in favor of 1046. Anybody who wishes to speak against 1046.

Rep. Frothe: Do you think it's possible this committee could get a list of emergency responses that have been made in the recent years? Which ones have been supported by state and which emergencies have put in requests for state assistance and haven't been able to qualify? Is that possible.

Chairman Grande: Yes. That's a good question.

Tim Wiedrich: I'm Tim Wiedrich, Chair of the Emergency Recovery and Response Committee. I want to make sure it is real clear in terms of what the gap is currently. If it's 2:00 a.m. and a tornado is torn through a community, basically we're asking responders to come into that community without knowing at the time whether this will or won't meet the federal declaration. So in the past when we've been contacted, we don't know if this will meet federal thresholds or not and whether these outside entities will or won't be reimbursed. My understanding is this bill is attempting to remove that dilemma that is currently occurring because the federal declaration doesn't happen until well after the emergency response has occurred. That's really the gap here. The time to send the rescuers in. Often times it's not clear whether this will or won't meet the federal reimbursement requirements.

Rep. Nathe: With your experience in working with Emergency Management Services, do you see (inaudible) \$1,000,000 in interest added on there? How long do you think that will last? Are we going to look down the road and have to re-fund another \$10,000,000?

Tim Wiedrich: I think this is a prudent amount. This establishes a reasonable committee of four entities. So when we hit that gap, basically there will be rules put in place so we can say here's what we can accept for reimbursement. I would expect that to be extremely conservative because we don't want to exhaust that fund.

Chairman Grande: Any other questions from the committee? Anyone else who wishes to testify in favor of 1046? Against 1046? Neutral to 1046. The hearing is closed on 1046.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB1046

House Government and Veterans Affairs Committee

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Hearing Date: 01/16/2009

Recorder Job Number: 7138

Committee Clerk Signature



Minutes:

Chairman Grande: Opened the meeting to hear testimony on HB1046. I will hear testimony from one person unless I feel really compelled to take a second.

Greg Wilz, Deputy Director, Dept. of Emergency Services and the Director of the

Division of Homeland Services for the state of North Dakota: I have been for the past 6 months the acting director of State Radio and the new director is with me, Mr. Mike Lanke, and assumed his responsibilities on the 7th of January. Mr. Wilz provided neutral, one-page written testimony. **See attachment #1.**

Greg Wilz: Comments in addition to his testimony. We can talk about events that have risen to the point where they have stretched the ability of local governments to deal with them.

Whether it's the tornado in Rolla and Belcourt, which we are still working on today, trying to get people in their homes up there. Whether it was fire season, the thing at Cole Harbor, the chemical fire down in Wahpeton, that was a potentiality for a program like this. There's a lot of things that have occurred. From the task force perspective, they came up with that it's about time ND has a program like this. 25 other states currently do. And the run the gambit, some cover public infrastructure, some cover public infrastructure and individual systems, some are even expanded beyond that. So that is what this bill is all about.

Chairman Grande: A gentlemen testified, Valley City fire and he was talking about utilizing these funds and I believe he was utilizing part 4 where he says the rule must put a subdivision using it for emergency response to recover their funds. Paying for if they go to a fire, they can get reimbursed for his gas.

Greg Wiltz: Yes. In ND over the past number of years, you are all aware we have had a reduction in Homeland Security funding and that eventually in the state of ND not everybody is going to be able to have everything they want. It's just realistic. OK. Not everybody is going to have a search and rescue team, the big fancy fire dept. etc...so we have got to rely on a regional constructive response. What we are working on in the agency in the past 2 years is just that. We have 4 regions in the state and we are building capabilities in those regions that can respond on a regional basis. This is the tie-in to this bill that helps that process. I'm going to use the Fargo-Morehead Asnac Team, they are a technician-level team, they've been originally funded in and put together by money from the state of MN, but Fargo has contributed and it's just a great group of folks, multi-jurisdictional group. Jamestown, Valley City, Wahpeton doesn't have one, and everybody else in the region doesn't have one, so if they need one, how do we get that team there? Is it fair for the folks in Fargo, ND to continue to put the bills through general fund dollars, local taxation, to provide those assets to those others? Or is there some other method? Should there be a reasonable cost share from the city they are responding to and does the state have any level of investment in that process? We think this is a part of that. That this would allow for those regional or extended mutual aid partners that respond to jurisdictions that physically don't have the ability to do that themselves a way to at least offset, so that next time they ask, they'll come back.

Chairman Grande: But that applies to number 2, number 4 is very general in that it's an emergency response, but it's not really a full-blown emergency. DO you know what I'm saying?

There are different levels of emergencies. He's talking about, general just going to fire stuff. And you know what, that's not my problem.

Greg Wilz: Madame Chair? He is wrong. The intent from the task force, the intent of the agency should something like this come to fruition is **not** have the state be a funder of mutual aid. That's different. This is for events that extend beyond mutual aid, the normalcy of mutual aid. Let me render an example: Let's say you got the fire season of 2007 going and we had some of those fires that carried on for weeks. OK. I got to tell you, mutual aid worked. We even brought in resources from other states and we brought in some federal resources. But at the end of the day, where that fire centralized, that county, you know, that mutual aid cost of all the other folks in there after their first operational period was devastating. We think this fund should help offset that a little bit. Now it takes rules, and criteria and standards and all that stuff to be tied to that. We think that paragraph 4 addresses those needs that those responders have in relationship to this bill.

Rep. Froseth: You believe your department of Emergency Services would handle this program without establishing a 5-person commission to administer funds?

Greg Wilz: The reason that the language that you see includes a commission is because we didn't want to come under any scrutiny or acting as if we are not playing this thing fair. We wanted the rules to be approved by a larger body. We wanted the input to those rules. And then as we execute the program we thought that there should be an appropriate level of oversight and we thought **that** commission, which is nice representation of the agency and the Governor's office, Human Services Department of Health, folks that are involved in these emergencies anyway.

Rep. Froseth: But they are also requesting a million dollars.

Chairman Grande: 10 million.

Greg Wilz: 11 million. The 11 million concept is this. I could talk to you about other state's funding models. There are as many funding models as there are states having this program. In ND, obviously the surplus was looked at as maybe here is an opportunity for the ND to do something good. But the 11 million dollars is a one million dollar deposit in an operational context program. The 10 million dollars is 10 million dollars that you say we are going to stick away and it cannot be touch except for the interest to continue to fund the account. The account will become fully funded at the 2 million dollar level and anything after the 2 million gets dumped into the general fund. So it acts as kind of a savings account for the state and it also acts as a perpetual funding screen for this emergency program.

Rep. Nathe: Is that 1 million dollars going to be enough plus interest as time goes on?

Greg Wilz: I guess we did some testing asking is that going to be enough? Are we asking for something that not even close or should it be more? From the task force perspective, the 1 – 3 instances per year is fairly accurate. The estimate of the cost of the 3 instances in 2007 was somewhere between 100,000 and 300,000. So I think it is sustainable. Now we can't predict what will happen. But the bottom line is that the state investment board also did some rough calculations to see what they could generate based upon current economy at the time (last July) and they thought they could yield in good years anywhere from 390 thousand plus up to a little bit more. Other years it could be less. We think it is about right, not perfect, but about right.

Rep. Wolf: On page 3, I have a question on lines 1 and 2 under section 3. Is that 2% for the administrative fee normal. That's a lot of money and that's your department.

Greg Wilz: That's **well below** normal. And let me explain, please. When we receive federal grants, there is usually administrative dollars provided to administer those banks. The Homeland Security Grant, the Emergency Management Performance Grant, the

communications grants, all the grants that the agency has been dealing with over the last couple of years, we have received approximately 5% in administrative costs for those grants. Those dollars actually get carried into salary dollars to help for the grant managers and accountants and all that stuff. The federal government this last year decided that they thought that was too much too and so lowered it to 3%. That's killing us. We are doing this at 2% because it is a parallel process to what we do for the federal side of the house with the FEMA grants. We can just slide this in. 2% is a bargain. 10 thousand dollars a year to run a program as complex as this is you have 2 or 3 events the level of detail in managing the money and the level of detail you all want from us. I mean you just can't hand out checks, you have to be accountable for that. It takes people to do that. So I don't believe it is unreasonable.

Chairman Grande: This is only going to cover events until they hit FEMA level, but if they hit FEMA then you would take and reimburse this fund with the FEMA dollars? Once you hit a million and get to have a presidential disaster and get to FEMA we're going to pay this back and keep it as a rolling fund in that aspect of things if you had a presidential disaster.

Greg Wilz: That is in part correct. If we do get a federal declaration, if the declaration was declared on a date in which the event started and we had state expenditures, state expenditures, and I have verified this with FEMA, are eligible for reimbursement. So yes, it could be kind of a rolling fund. If we look like we are hitting the million dollar threshold, we did a preliminary damage assessment to validate that level of damage and it looks close that we brought in the actual FEMA damage assessment team to verify that, if we fell a little bit short, the state would obviously, because we didn't rise to the level of presidential, we would not get it. I think at the core and heart of this bill is not to be, well we can use this until we get to the million and then rely on the federal government. It was really to help those "Cole Harbors" of the state that literally was in tough shape after that wind storm went through that town. As a

state agency and I am speaking a little out of turn here, I was kind of embarrassed at the level of support we did actually provide for that.

Chairman Grande: Greg, I want to thank you at this point. Committee, I don't mean to be cutting anyone off, but we are on the floor here shortly and I would like to just close this back up. Since we already had the full hearing I don't feel as we have cut anybody out, but at this point I'm going to just close the hearing. Thank you.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1046

House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Hearing Date: 01/23/09

Recorder Job Number: 7658

Committee Clerk Signature

Lori Engleson

Minutes:

Chairman Grande: Let's take a look at 1046. This is the one with the fiscal note of \$11,000,000 not in the budget. Setting up its own pool. As you can remember on the floor, we had a debate of about six to nine bills from the Public Safety Committee, and they have said that most of this information is in the adjutant general's budget and that they're reworking this dollar amount. I know I was told, just in the last two days, that they're looking at some type of an emergency fund like this. But if you look at today's paper, it talks about an emergency commission meeting and taking care of all the snow removal dollars. The process is in place to do this, and that was one of the things I was concerned about. Emergency commission can be called at any time by the governor, and I think, or council. They can meet and take care of emergency needs when need be. I just think people need to get their focus together and know what the chain of command is to get it done, and it will work better.

Rep. Meier: So what you're saying is the funding is already in the adjutant general's budget?

Chairman Grande: This is something totally above and beyond.

Rep. Boehning. I was on the public safety meeting during the interim, and it seemed that I'm hearing one thing and hearing another thing. When we're listing all these rural fire

departments, we had Coleharbor. There was a lot of things that were happening out there for

these departments to give reimbursements. They seem like they have to wait forever. I don't know if there's dollar amount that if they can come in for \$500 for gas, I'm not sure. But it seemed like a lot of these little departments, whether it was fire or whether it was a larger city going out and help the rural areas, there seems to be no reimbursement to help some of these rural districts out. And I shouldn't just say rural, even the larger ones. That's what I gathered during the interim. There didn't seem to be a lot of help in the emergency. The emergency commission really never come up in any of this to reimbursements, but I think there must be a gap in here someplace. I never did seem to find out where the gap was, and it seemed like the gap is still there, and we're not taking care of it. I don't know whether we amend the money out of this.

Chairman Grande: Well, Representative Boehning when Greg came in to testify, I specifically asked him, "Could this be used for reimbursement on gas for these firefighters?", and he says, "No, that's not the intent."

Rep. Boehning: This bill relates to governor-declared emergencies. So the only way they could get the money is if the governor declares an emergency like he did today in the snow removal. That would be the only way that these funds would be made available. I know the firemen from Valley City or Jamestown, they're saying that was going to be reimbursement for gas if you had to go fight a fire in another city or something like that. But that's now what the intent is. The intent is for governor-declared emergencies. It's kind of a stop gap between that million dollars between FEMA and

Chairman Grande: Now I don't recall. Was Coleharbor considered an emergency by the governor.

Rep. Boehning: I do believe it was.

Chairman Grande: Then there shouldn't have been an issue. They should have went to the Emergency Commission and got it taken care because the governor declared it. So, I think that there was a gap in between the communication there. I don't think it's a money gap. It's a communication gap, and this does not take care of the communications issue. It sets up a whole new commission that doesn't guarantee us anything.

Rep. Karls: Is there another bill out there that addresses this.

Chairman Grande: I thought somebody had said that too, and I don't remember how many of these. There are so many of these bills out there and that's why I think they are trying to say, can we put this all under the preview of adjutant general and find out what exactly he needs and wants.

Rep. Meier: I had an opportunity to visit with Representative Porter this past weekend on Saturday about this bill, and he said there was another bill out there that deals with it as well. I'm not sure it would be the exact language. I didn't get the bill number but we may want to look into that.

Chairman Grande: Well, I think what we can do is, we need to get this bill out of our committee with an \$11,000,000 budget on it. It is my impression though through this process that we're trying to get this all down into one thing. And so let's just let the adjutant general deal with this with Appropriations.

Rep. Kasper: What if we amend the appropriations out and pass the bill. That way the bill is still alive but the money is not on it. And if there isn't another bill that solves some of these problems, it's alive.

Rep. Amerman: If you could refresh my memory. I was looking at the fiscal note and there is \$11,000,000 expenditures but then there's only \$1,000,000 appropriation. Where was the other \$10,000,000? How does that work?

Chairman Grande: The \$11,000,000 goes into a trust fund. It is held and monitored by the Treasurer's Office and can be brought out in anything under \$1,000,000. Once it's \$1,000,000 it goes into the FEMA portion of things so then they wouldn't be drawing off of it. State disasters fall under \$1,000,000. Federal disasters are anything above the \$1,000,000. So they would be dealing with \$1,000,000 or less. So that should, as it grows in the trust, keep continuing to be there. It's just to set aside specifically for disaster. With this board of four people making all those decisions.

Rep. Dahl: Even if we just amend the money out of it, are we just setting up a duplicate commission to handle this?

Chairman Grande: That would be my understanding since we already have an emergency commission.

Rep. Wolf: I would like to see an emergency clause put on the bill.

Chairman Grande: With his amendment also?

Rep. Wolf: Not with his but separate.

Chairman Grande: Committee, what are your wishes?

Rep. Dahl: I move do not pass.

Chairman Grande: I have a motion for a do not pass. Do I have a second. You're seconding that? I have a do not pass by Representative Dahl, seconded by Representative Kasper.

Discussion. The clerk called the roll on a do not pass.

Yes 5 No 5 Absent 3

Chairman Grande: Committee. What are your wishes?

Rep. Kasper: Chairman Grande. I move that we delete section 5. Amend section 5.

Chairman Grande: We have a motion for the amendment of section 5 out of this bill. Do I have a second?

Rep. Nathe: Second.

Chairman Grande: I'm going to offer by Representative Kapser, seconded by Representative Nathe. All in favor.

Rep. Boehning: Do we need to further amend that because in section 3, line 1-The emergency response and recovery fund is a special fund in the state treasury. Are we going to have to remove some language in this?

Chairman Grande: Actually you are probably going to have to take out sections 3, 4 and 5. All you're doing is setting up a commission.

Rep. Kasper: I withdraw my motion and yield to Representative Boehning's amendment.

Rep. Boehning: I further amend to remove section 3, remove section 4 and remove section 5 out of HB 1046.

Rep. Kasper: Second.

Chairman Grande: We now have a motion in front of us of an amendment to remove sections 3, 4 and 5 from HB 1046. Discussion. And section 2 out? You'll have to take out line 22 of section 1.

Rep. Dahl: Then you're just left with section 1.

Chairman Grande: We'll amend taking out line 22, page 1 and lines 1 and 2 on page 2. Separate accounting must be maintained for each of the above funds. Period. We have a new commission.

Rep. Dahl: In section 2?

Rep. Boehning: Section 2 we will have section 1 line 1 on page 1.

Chairman Grande: No. L. You would have to eliminate from after the word "commission" on line 18 through line 22. Any other amendments?

Rep. Boehning: We will have left section 2, lines 13 through 18? Would that be correct.

Chairman Grande: Through the first commission.

Rep. Boehning: And then everything after the commission, the commission shall review.

That will be deleted.

Chairman Grande: Yes.

Rep. Boehning: You lose section 3, section 4, section 5. And we move line 22, page 1. I think that should take care of it. And then also on, just for clarification, page 2, line 1 and 2 remove overstrike and the underscore language. I think that should. All we should have left is section 1 and part of section 2 remaining.

Chairman Grande: So we are going to establish a commission and give them no authority and no money. Do I have a second on Representative Boehning's amendment.

Representative Kasper. Does everybody understand all of Representative Boehning's

amendments? In favor of Representative Boehning's amendments. Opposition to

Representative Boehning's amendments. Okay. We have the bill in it's entirety in front of us.

What are the wishes this committee. Your amendments just failed.

Rep. Boehning: How.

Chairman Grande: You just voted on them.

Rep. Kasper: It went so fast I didn't hear them.

Chairman Grande: I had one person vote in favor of the amendment. Do we want to do it again? Amendments from Rep. Boehning are in front of us. Those in favor of Representative Boehning's amendments say aye.

Rep. Amerman: I don't know if we can do it again because they failed.

Chairman Grande: I don't think some were even listening so I am going to give them the chance to listen this time. The amended bill is in front of us for vote on the amendment of Representative Boehning. If you are in favor of those amendments say aye. . (5 respond)

Those opposed to those amendments say aye. (5 respond). So we're back to a 5 and 5.

Committee what are your wishes on this bill.

Rep. Wolf: I would like to amend the bill to put an emergency clause on it.

Chairman Grande: We have an amendment by Representative Wolf for an emergency clause, seconded by Representative Schneider. We have an emergency clause amendment in front of us. All in favor of the amendment of an emergency clause say aye. Opposed. Okay so we've got that amendment failed. Anything else you want to do to this bill committee.

Rep. Boehning: I move a do not pass.

Chairman Grande: I have a do not pass by Representative Boehning.

Rep. Kasper: Second.

Chairman Grande: I have a do not pass by Representative Boehning. Seconded by Representative Kasper. Any discussion on the do not pass. The clerk will call the roll.

Yes 7 No 4 Absent 2 Representative Grande agreed to carry the bill.

FISCAL NOTE
Requested by Legislative Council
01/02/2009

REVISION

Bill/Resolution No.: HB 1046

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$500,000	\$0	\$500,000
Expenditures	\$0	\$0	\$11,000,000	\$500,000	\$500,000	\$500,000
Appropriations	\$0	\$0	\$1,000,000	\$500,000	\$500,000	\$500,000

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Creates an emergency response and recovery commission and fund. Provides an initial cost to the state of \$11,000,000 in general funds. Of that amount the State Investment Board would invest \$10,000,000 and agency would receive \$1,000,000 as well as any revenue from the \$10,000,000 investment.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 5 details the fiscal impact as described above. We made a conservative assumption that the \$10,000,000 investment would generate \$500,000 in interest revenue per biennium.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Revenue of \$500,000 per biennium for interest income from \$10,000,000 investment. This would be provided to the agency as a continuing appropriation. No funding is provided in the agency's 09-11 executive budget.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The 09-11 biennium would have a \$11,000,000 general fund expenditure for the state to establish the fund. We estimated \$500,000 per biennium as an expenditure for the agency, depending on the number of qualifying disasters. This would be spent by the agency using the grants line of our budget. No additional FTE's are projected to administer this fund.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The appropriation shown above is not in the agency's executive budget. The appropriation for 09-11 would include the \$1,000,000 per section 5 of this bill and another estimated \$500,000 generated from the \$10,000,000 investment.

Name:	Holly Gaugler	Agency:	Adjutant General
Phone Number:	333-2079	Date Prepared:	12/31/2008

FISCAL NOTE
Requested by Legislative Council
12/08/2008

Bill/Resolution No.: HB 1046

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$500,000	\$0	\$500,000	\$0
Expenditures	\$0	\$0	\$11,500,000	\$0	\$500,000	\$0
Appropriations	\$0	\$0	\$1,500,000	\$0	\$1,000,000	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Creates an emergency response and recovery commission and fund. Provides an initial cost to the state of \$11,000,000 in general funds. Of that amount the State Investment Board would invest \$10,000,000 and agency would receive \$1,000,000 as well as any revenue from the \$10,000,000 investment.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 5 details the fiscal impact as described above. We made a conservative assumption that the \$10,000,000 investment would generate \$500,000 in interest revenue per biennium.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Revenue of \$500,000 per biennium for interest income from \$10,000,000 investment. This would be provided to the agency as a continuing appropriation. No funding is provided in the agency's 09-11 executive budget.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The 09-11 biennium would have a \$11,000,000 general fund expenditure for the state to establish the fund. We estimated \$500,000 per biennium as an expenditure for the agency, depending on the number of qualifying disasters. This would be spent by the agency using the grants line of our budget. No additional FTE's are projected to administer this fund.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The appropriation shown above is not in the agency's executive budget. The appropriation for 09-11 would include the \$1,000,000 per section 5 of this bill and another estimated \$500,000 generated from the \$10,000,000 investment.

Name:	Holly Gaugler	Agency:	Adjutant General
Phone Number:	333-2079	Date Prepared:	12/31/2008

1st vote

Date: 1-23-09
Roll Call Vote #: _____

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1046

House **Government and Veterans Affairs** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DNP

Motion Made By Dahl Seconded By Kasper

Representatives	Yes	No	Representatives	Yes	No
Chairman Grande	✓		Rep. Amerman		✓
Vice Chairman Boehning	✓		Rep. Conklin		
Rep. Dahl	✓		Rep. Schneider		✓
Rep. Froseth			Rep. Winrich		
Rep. Karls		✓	Rep. Wolf		✓
Rep. Kasper	✓				
Rep. Meier		✓			
Rep. Nathe	✓				

Total (Yes) 5 No 5

Absent 3

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

2nd Vote

Date: 1-23-09
Roll Call Vote #: _____

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1041e

House Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DNP

Motion Made By Boehning Seconded By Kasper

Representatives	Yes	No	Representatives	Yes	No
Chairman Grande	✓		Rep. Amerman		✓
Vice Chairman Boehning	✓		Rep. Conklin		
Rep. Dahl	✓		Rep. Schneider		✓
Rep. Froseth	✓		Rep. Winrich		
Rep. Karls	✓		Rep. Wolf		✓
Rep. Kasper	✓				
Rep. Meier		✓			
Rep. Nathe	✓				

Total (Yes) 7 No 4

Absent 2

Floor Assignment Grande

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 23, 2009 1:22 p.m.

Module No: HR-14-0838
Carrier: Grande
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1046: Government and Veterans Affairs Committee (Rep. Grande, Chairman)
recommends **DO NOT PASS** (7 YEAS, 4 NAYS, 2 ABSENT AND NOT VOTING).
HB 1046 was placed on the Eleventh order on the calendar.

2009 TESTIMONY

HB 1046

**TESTIMONY OF JOSEPH ALBERTS SR., SPIRIT LAKE EMERGENCY
MANAGER**

Good morning to all and it is my pleasure to be here today to address this most important program Emergency Response. My name is Joseph Alberts and I am the Emergency Manager for the Spirit Lake Tribe. I have been invited today to speak on House Bill No. 1046 which addresses Emergency Response.

I would like to start and touch on a bit of history that hopefully will not repeat itself; I am talking about the flooding that occurred in the Devils Lake Basin in the 1990's. Looking back at that event the Spirit Lake Tribe has made great strides in the development of the Spirit Lake Emergency Management Department.

I became the Spirit Lake Emergency Manager three years ago and have seen firsthand the drastic changes that have occurred and are occurring in the State-Tribal relations concerning emergency management. All the changes have been eye openers for sides, the state and tribal personnel working in emergency management have become more aware of the needs of each other, working in this field you have to have dedicated personnel and a commitment by government to support Emergency Management. In July 2008 the Spirit Lake Tribe participated in a Roads Acting as Dams disaster drill, we had multi jurisdictions participating , the drill went fine with each jurisdiction assisting each other with all resources available. We have been successful in the cooperative agreements between state and tribal resources.

The Spirit Lake Tribe recently completed a Strategic Plan with Statistical Reports which placed Emergency Response at the number five priority. The Spirit Lake Tribe is well aware of the importance of this vital program. The Spirit Lake Tribe is setting up a special account to enact when a real emergency/disaster arises, so tracking expenditures is easily accounted for during the reimbursement process.

In times of disaster it the view taken that no matter where the event happens whether it be tribal, state or federal domain it is the responsibility of all resources to work together to ensure that loss of life, and/or property is prevented or held to a minimum.

In closing I would like to thank you for your time and consideration, I fully support House Bill 1046.

Attachment #1

TESTIMONY - HB 1046
HOUSE COMMITTEE – GOVERNMENT AND VETERANS AFFAIRS
JANUARY 16, 2009
BY GREG WILZ
DEPUTY DIRECTOR, DEPARTMENT OF EMERGENCY SERVICES

Mr. Chairman and members of the committee, my name is Greg Wilz. I am the Deputy Director of the Department of Emergency Services (NDDDES) and Director of Homeland Security for the state of North Dakota. Today I am here as a representative of the task force established at the request of the interim Public Safety Committee. The Public Safety Committee asked that the task force be established to request improvements to emergency services by adding organizational changes, system upgrades, process or protocol changes and statutory changes to ensure the future viability and capability of emergency services in North Dakota. My intent is to provide background information as was discussed within the task force and not to take an agency position on HB 1046.

The task force spent considerable time studying key issues involved with improving response. This led to an examination of disasters such as the severe storm that destroyed or damaged much of the Coleharbor, the devastating 2007 fire season, and the tornado that decimated homes and business in Belcourt and Rolla. In each of these events, damage and response efforts were so substantial that local governments, responders, and citizens were severely challenged to financially recover from the extraordinary demands on resources. Task force members felt the state of North Dakota should put in place a formal program with protocols and established criteria that allow local governments to access funds for responding to and recovering from incidents that do not reach the million dollar threshold of a Presidential Declaration. North Dakota experiences approximately one to three of these significant events a year that do not meet the requirements for federal assistance.

The task force felt that a response and recovery program and funding model in North Dakota should:

- 1) Provide funding to jurisdictions to offset the support costs incurred by mutual aid partners or regionally based response and recovery assets.
- 2) Impart funding to assist with replacing or repairing damage to public infrastructure.
- 3) Grant immediate relief to individuals for housing, shelter, and sustenance resulting from loss or damage to their homes.

It is clear the federal government expects states to develop the necessary capabilities to manage these specific types of mid scale events. In North Dakota our ability is limited to the assistance state agencies can provide from existing budgets or request from the emergency commission.

Thank you, I will try to answer any questions you may have.

Attachment #1